

# **EXHIBIT B**

1  
2 IN THE UNITED STATES BANKRUPTCY COURT  
3  
4 FOR THE SOUTHERN DISTRICT OF TEXAS  
5  
6 HOUSTON DIVISION  
7

8  
9 IN RE: § CASE NO. 18-31998-H6-7  
10 § HOUSTON, TEXAS  
11 WILLIAM DEXTER LUCAS, § TUESDAY,  
12 § JUNE 12, 2018  
13 DEBTOR. § 9:25 A.M. TO 10:19 A.M.  
14

15  
16 MOTION HEARING (AMENDED)  
17

18  
19 BEFORE THE HONORABLE EDUARDO V. RODRIGUEZ  
20 UNITED STATES BANKRUPTCY JUDGE  
21

22  
23 APPEARANCES: SEE NEXT PAGE  
24  
25 COURT RECORDER: KIMBERLY PICOTA  
26

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APPEARANCES:

FOR CARRINGTON MORTGAGE  
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FOR THE DEBTOR:

WILLIAM DEXTER LUCAS, PRO SE

1           HOUSTON, TEXAS; TUESDAY, JUNE 12, 2018; 9:25 A.M.

2           THE COURT: 18-31998, Dexter Lucas William.

3           MR. BURKS: Good morning, Judge Rodriguez. My  
4 name is Gray Burks, B-U-R-K-S --

5           THE COURT: Mr. Burks.

6           MR. BURKS: -- for Carrington Mortgage Services.

7           THE COURT: Good morning, sir.

8           MR. LUCAS: Good morning, Your Honor. My name is  
9 William Dexter Lucas. I am a *pro se* litigant and Debtor in  
10 this matter.

11          THE COURT: Good morning, sir.

12          MR. BURKS: Your Honor, today we have two things.  
13 And what I'm ultimately going with is I'd like you to recall  
14 this case at the end of your Docket because I think we need  
15 some time. Because there are two things that I think we  
16 need to get taken care of today.

17          The first thing is, of course, there was a Motion  
18 for Relief from Stay that was filed. There was a Debtor's  
19 Response that was filed. Probably the most important  
20 clarifying document in that Motion for Relief from Stay  
21 would be the supplement to the Motion filed at Docket  
22 No. 34.

23          What you have here, Judge, is a case where the  
24 Debtor had filed a lawsuit, pre-petition, seeking injunctive  
25 relief and various causes of action. The Debtor's schedules

1 the property in this Schedule A, but he does not schedule --  
2 he states that he does not owe the debt. He is not his --  
3 well, his significant other, a woman who he claims was his  
4 wife, deceased -- when she died, payments on the note  
5 stopped back in February of 2014. The gentleman claims that  
6 he owns the property, but is not liable for the debt that  
7 the woman -- that the woman signed off on. Mr. Dexter --

8 MR. LUCAS: Lucas.

9 MR. BURKS: Thank you, sir.

10 Mr. Lucas did not sign the note, did not sign the  
11 Deed of Trust. He resides in the house, he claims ownership  
12 of the house. No payments have been made since February of  
13 2014.

14 The State Court lawsuit has been stayed by the  
15 Petition by virtue of 362(a).

16 So we clarify that the relief we're seeking from  
17 you today is to terminate the stay to go back to State  
18 Court, resolve all the issues in State Court as to ownership  
19 and viability, and then the gentleman will either have a  
20 free house or will have liability and the house will be  
21 foreclosed on. That's the first motion.

22 The second motion is, Mr. Lucas filed a Complaint  
23 and Notification of creditor's violation of the automatic  
24 stay order. This is at Docket No. 28.

25 I have Mr. Mario Cortez, an attorney in our

1 office, here, and I'd like to resolve that motion right now  
2 if possible, Judge.

3           The allegation is, is that Mr. Cortez called  
4 Mr. Lucas, a *pro se* Debtor, and violated the stay in doing  
5 so. And I don't think there's any doubt that Mr. Cortez  
6 called Mr. Lucas. And I don't think there's any doubt that  
7 he called him pursuant to Local Rule 4001(a)(1) which  
8 requires an attorney to: One, confer, and two, determine  
9 whether or not an agreement can be reached on the Motion for  
10 Relief from Stay.

11           In compliance with the Local Rule, and in fact,  
12 in compliance with the local court procedures of Your Honor  
13 on page 14, Mr. Cortez had a duty to confer before he filed  
14 the motion. And that's exactly what happened.

15           We have Mr. Cortez here to answer any questions  
16 that the Court may have, but obviously this is a motion that  
17 we would like to be disposed of because as Mr. Lucas stated,  
18 he is *pro se* and I don't think he's cognizant of the Local  
19 Rules or the Court's local procedures.

20           MR. LUCAS: Your Honor, this matter, with respect  
21 to Mr. Burks, if they have an audio tape of the conversation  
22 between Mr. Cortez and myself, I submit that they submit and  
23 let the Court decide if my complaint is valid or not.

24           However, if no audio tape exists, I'm willing to  
25 withdraw that Complaint.

1           The matter of their motion to withdraw from the  
2 automatic stay is very simple one. It's not a timely  
3 matter.

4           First, I'm not suing these people in State Court.  
5 I'm suing a whole other company in State Court that services  
6 the mortgage on this home. Additionally, they pled that I  
7 wasn't married to the woman. So they took my community  
8 property rights out of it, but failed to ignore -- failed to  
9 understand that I have an adverse possession issue with the  
10 property.

11           It's a well -- the Federal Court system of the  
12 Second Court this was *Nims versus* -- I can get you the  
13 information if you need it, Your Honor, it's on my iPad --  
14 to bring an action for a stay, you either have to be a  
15 creditor or a Debtor. Carrington Mortgage Services is  
16 neither. They procedurally messed up when they filed the  
17 petition. They can't bring the action. It's that simple.

18           MR. BURKS: Your Honor, I have a certified copy  
19 of the Deed of Trust and Mr. Lucas also asked for a -- to  
20 see an original copy. I actually have the --

21           MR. LUCAS: Sir, the argument is not whether you  
22 have the Deed of Trust or not.

23           THE COURT: Please --

24           MR. LUCAS: The argument is --

25           THE COURT: Please, Mr. --

1 MR. LUCAS: -- are you the creditor.

2 THE COURT: Mister -- Mr. Williams please do not  
3 interrupt.

4 MR. LUCAS: I apologize, sir.

5 THE COURT: Do not interrupt.

6 MR. BURKS: And I have the original collateral  
7 loan file that I can show of the Court.

8 But the question is not whether or not -- the  
9 question is -- the question's whether or not the stay lifts  
10 to proceed in State Court and determine the issues that  
11 Mr. Lucas is raising. The question of whether or not he can  
12 claim ownership of the property separate and apart from the  
13 Deed of Trust. I mean, we have the original Deed of Trust,  
14 Judge.

15 THE COURT: All right. So what I'm hearing is we  
16 need some time here to argue this matter.

17 How much time do you-all need?

18 MR. BURKS: Based on -- if we're arguing the  
19 motion, I believe we need an hour. If we're arguing the  
20 Complaint and Notification of violation in the stay, I think  
21 we need another 15 minutes of that, Judge.

22 THE COURT: Well, that's not on my Docket for  
23 today.

24 MR. BURKS: Yes, Your Honor.

25 THE COURT: So all we have on the Docket for



1 today is a Motion for Relief from Stay filed by your office.

2 MR. BURKS: Yes, Your Honor.

3 THE COURT: All right. So, I have a 9:00 o'clock  
4 Docket, which we're on, 10:00, 10:30 and 11:00. Where would  
5 you like to have this matter placed?

6 MR. BURKS: Well, if we need 45 to 60 minutes,  
7 Your Honor, I'll be prepared whenever you tell us to go  
8 forward -- or whatever time. I don't know, obviously we'd  
9 like to get done as quickly as possible.

10 THE COURT: Why don't we pick this up at the end  
11 of my 9:00 o'clock Docket? We just have a couple more  
12 matters to go.

13 MR. BURKS: Thank you, Judge.

14 THE COURT: All right.

15 MR. LUCAS: Thank you, Your Honor.

16 THE COURT: Thank you.

17 (Recess taken from 9:32 a.m. to 10:05 a.m.)

18 THE COURT: All right. Returning now to  
19 18-31998, Dexter William.

20 MR. LUCAS: Is there a possibility, Your Honor, I  
21 can sit? I have a back problem.

22 THE COURT: Yes, you may. Just sit over here at  
23 one of the counsel tables and have a microphone right in  
24 front of you, please.

25 MR. LUCAS: Thank you, sir.

1 (Pause in proceedings.)

2 MR. BURKS: Your Honor, may I approach?

3 THE COURT: You may.

4 MR. BURKS: For the Record, my name is Gray  
5 Burks, B-U-R-K-S, representing Carrington Mortgage Services,  
6 LLC.

7 I've just handed the Court an Exhibit Notebook  
8 and a CD. However, before we commence, Your Honor, I've had  
9 an opportunity for speaking with Mr. Lucas -- and I  
10 appreciate very much your recalling this case today.

11 We may not have a dispute, I'm not sure. Now, I  
12 know Mr. Lucas is listening sitting right behind me, over my  
13 right shoulder, listening very carefully.

14 I think what we've agreed to do is to terminate  
15 the stay to allow Mr. Lucas and Carrington Mortgage Services  
16 or anyone else that he is suing to proceed in State Court --  
17 the County Court at Law No. 1, Case No. 18-CCV-061950. That  
18 is all that we're seeking here today.

19 We're not seeking an order saying lift the stay  
20 and allow us to immediately foreclose. We're seeking an  
21 order to lift the stay to proceed in State Court in that  
22 case number. And before I move to the next matter I think  
23 it's appropriate to ask Mr. Lucas if he agrees with what I  
24 just stated.

25 MR. LUCAS: For the Record, my name is William

1 Dexter Lucas. I had a chance to talk to Mr. Burks during  
2 the last 30 minutes concerning the matters he brought up,  
3 and I'm in 100 percent agreement with withdrawing the  
4 complaint against Mr. Mario Cortez -- I believe his last  
5 name is -- concerning what I perceived as his attempt to act  
6 as a third party debt collector in violation of the  
7 automatic stay.

8           However, I've given a lot of thought to this  
9 matter of the automatic stay and withdrawing my objection to  
10 it. My main issue is I'm not satisfied that they even have  
11 the right to bring the motion.

12           There's a lot of layers to this. I'd have to  
13 object to the introduction of this evidence because this is  
14 the first I've seen of it or even heard of it.

15           I've looked over the Rules, I've done a lot of  
16 research on Federal Rules of Evidence, Civil Procedure,  
17 Bankruptcy Rules, and the Local Rules in this Honorable  
18 Court, and I really I have to admit that I'm not 100 percent  
19 familiar with how evidence can be introduced in a hearing of  
20 this.

21           I'll just tell you, Your Honor, I have not had  
22 enough time to look at -- I have no idea why they're  
23 introducing this evidence. I have no idea why they're  
24 calling me as a witness. They said they emailed it to me, I  
25 don't know when, but I never got it.

1 THE COURT: Mr. Burks.

2 MR. BURKS: Your Honor, on June 8th, 2018, at  
3 11:55 a.m. my office, at my direction, sent three emails:  
4 Parts one of two -- one of one, one of two, and one of three  
5 that went through from 11:55 to 11:56 a.m. And then a final  
6 fourth email sending updated Witness and Exhibit List which  
7 amended the Certificate of Service.

8 What's the Docket number of that?

9 The email address was, W-L-U-C-A-S-@-L-U-C-A-S-M-  
10 A-I-L-dot-U-S. And I believe we took that off of either  
11 pleadings or the actual petition. So I disagree. Now,  
12 whether or not the gentleman opened them or received them or  
13 has reviewed the exhibits is a different question.

14 But I will tell you that pursuant the Certificate  
15 of Service that we filed attached to the Witness and Exhibit  
16 List, the Certificate of Service certifies that these  
17 exhibits were sent to wlucas@lucasmail.us.

18 So with respect to the first issue as to whether  
19 or not we can proceed because we -- he did not -- has not  
20 reviewed the exhibits. I can only tell you, Judge, that we  
21 did comply with the local procedures and Local Rules as set  
22 forth in the Certificate of Service.

23 THE COURT: Did you not receive those emails,  
24 Mr. Lucas?

25 MR. LUCAS: No, sir, Your Honor. And from my

1 understanding of those same Rules, Your Honor, I have to be  
2 given -- I have to give written permission to be served that  
3 way by email. But I don't have a problem with the email  
4 servings. In fact, the original documents that I got from  
5 these guys came by email. But I just -- last night I just  
6 received the first hard copy of their Supplemental Petition.  
7 I didn't even know that existed until 10:30 last night.

8 THE COURT: So are you opposing the Relief from  
9 Stay today?

10 MR. LUCAS: Yes, sir. I don't think I have any  
11 other choice.

12 (Pause in proceedings.)

13 THE COURT: Mr. Burks.

14 MR. BURKS: Your Honor, normally the burden of  
15 proof would be on me. However, on the 362(g), this is not  
16 an issue of value or equity, this is an issue of -- I don't  
17 think anyone's claiming that whatever is owed on the note --  
18 I don't think this isn't -- this is not a question of value,  
19 it's a question of proceeding in State Court.

20 The allegations that are raised in defense of  
21 terminating the stay are all the State Court litigation  
22 issues that we're asking the court to terminate.

23 So it is with respect to an evidentiary issue,  
24 I'm not sure what evidence this Court needs other than me  
25 certifying and offering two exhibits as to the Deed of Trust

1 and assignment of Deed of Trust, and also proffering that  
2 Carrington holds the original note, which I hold as their  
3 bailee right now.

4 That would show standing for Motion to Relief  
5 from stay. And then when you look at the limited relief  
6 being requested. Based on the statements the gentleman has  
7 made, I think relief would be appropriate.

8 At this point I'm going to offer those exhibits  
9 and proceed that way.

10 (Pause in proceedings.)

11 THE COURT: Can you establish that Mr. Lucas  
12 actually received your documents via email, first?

13 MR. BURKS: I can tell you, Judge, that -- I can  
14 tell you, Judge, that I have in front of me four email  
15 receipt pages all of which report to have gone through.

16 Now, if Mr. Lucas wants to come back and review  
17 the documents and review the evidence, I'm not going to have  
18 a man who's trying to represent himself and who fervently  
19 believes in his rights, I'm not going to have him come in  
20 unprepared. It's tough enough *pro se*.

21 So I wouldn't object to continuing this hearing  
22 until such time as the Court has maybe 45 minutes of time  
23 the next time you're in Houston, Texas, if that's what  
24 Mr. Lucas wants. But, yes. I have established -- I mean,  
25 when you send by email to the address on the petition, it

1 did not come back, that's all I can do, Judge, is tell you  
2 that what was done and the emails went through.

3 THE COURT: All right. I'm going to ask you to  
4 raise your right hand Mr. Lucas.

5 (Debtor sworn.)

6 MR. LUCAS: So help me, God.

7 THE COURT: All right. And so you're telling me  
8 today that you did not receive these exhibits that Mr. Burks  
9 reportedly emailed to you on the date that he just told me?

10 MR. LUCAS: Your Honor, I was, as I stated  
11 previously, as a Christian and a Jehovah's Witness, I'm  
12 telling Your Honor I had no clue that these exhibits were  
13 being anything other than their original petition the  
14 exhibits they attached to it were being considered today or  
15 were --

16 THE COURT: Now, that's not my --

17 MR. LUCAS: -- they were planning --

18 THE COURT: That's not my --

19 MR. LUCAS: -- or planning on --

20 THE COURT: Hold on. That's not my question.

21 MR. LUCAS: No, sir. I didn't receive them.

22 THE COURT: You did not receive them?

23 MR. LUCAS: No, sir. If I received them, they're  
24 in my junk email or bulk mail forwarded, but I did not  
25 receive these emails. I had no knowledge of them until this

1 morning.

2 (Pause in proceedings.)

3 THE COURT: Do you have a hard copy for  
4 Mr. Lucas?

5 MR. BURKS: I do, Your Honor. And I've handed it  
6 to him.

7 THE COURT: Okay. You now have a hard copy of  
8 the exhibits, Mr. Lucas.

9 (Pause in proceedings.)

10 THE COURT: This is a preliminary hearing, so I'm  
11 inclined to continue this hearing to June 26th, 2018.  
12 That's two weeks from now at 10:00 a.m.

13 Are the parties both available to attend the  
14 hearing at that time?

15 (Pause in proceedings.)

16 MR. BURKS: Yes, Your Honor.

17 THE COURT: Mr. Lucas?

18 MR. BURKS: Wait a minute. What day of the week  
19 is that?

20 THE COURT: That is a Tuesday.

21 I also have the 25th, which is a Monday.

22 MR. BURKS: May we have June 25th, if it suits  
23 Mr. Lucas and the Court?

24 THE COURT: Mr. Lucas, June 25th in the  
25 afternoon?



1 MR. LUCAS: One moment, Your Honor.

2 THE COURT: Sure, take your time.

3 (Pause in proceedings.)

4 MR. LUCAS: The 25th will be fine, sir.

5 THE COURT: All right. I'm going to reset this  
6 preliminary hearing, June 25th, 2018, at 3:30 in the  
7 afternoon.

8 MR. BURKS: Additionally, Your Honor --

9 THE COURT: The Stay will remain in effect  
10 pending a final ruling by this Court on the 25th of June.  
11 Go ahead.

12 MR. BURKS: Additionally, Your Honor, the  
13 gentleman has just stated that he would be withdrawing his  
14 Motion and Notification of creditor's violations for my  
15 associates calling him for a conference, that's Docket  
16 No. 28. We filed a response at Docket 31.

17 It has not been withdrawn at this point. If the  
18 Court cannot enter an order today on that, may we also set  
19 that and carry it to the same date and time?

20 THE COURT: Mr. Lucas, let me just confirm that  
21 you are withdrawing that Document No. 28?

22 MR. LUCAS: With my sincere apologizes to  
23 Mr. Burks and his associate and this Court, Your Honor, I  
24 completely misunderstood what they were doing.

25 THE COURT: So your answer is?

1 MR. LUCAS: Yes, sir.

2 THE COURT: Thank you.

3 All right. ECF No. 28 has been withdrawn. That  
4 is now terminated.

5 MR. BURKS: Thank you for your consideration  
6 this --

7 THE COURT: And let me hand back your exhibits.

8 MR. BURKS: Yes, Judge.

9 THE COURT: And your fancy folder for your CD  
10 drive.

11 Thank you, gentlemen. You're both excused.

12 MR. LUCAS: May I have this?

13 THE COURT: Ask him.

14 (These proceedings concluded at 10:19 a.m.)

15 \* \* \* \* \*

16 I certify that the foregoing is a correct  
17 transcript to the best of my ability produced from the  
18 electronic sound recording of the proceedings in the above-  
19 entitled matter.

20 /S/ MARY D. HENRY

21 CERTIFIED BY THE AMERICAN ASSOCIATION OF

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23 JUDICIAL TRANSCRIBERS OF TEXAS, LLC

24 JTT TRANSCRIPT #58948 AMENDED

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